



Procurement of goods and services by the general secretariats
Cross-section audit of the general secretariat of the FDJP, the general secretariat of the FDFA, the general secretariat of the FDF, the general secretariat of the FDHA and the general secretariat of DETEC

Key facts

This audit assessed whether the procurement of goods and services in the general secretariats was carried out in a legally and commercially sound manner. On the basis of the audits conducted, the Swiss Federal Audit Office (SFAO) noted that the procurement law requirements in the Public Procurement Act (PPA) and the Public Procurement Ordinance were only partly complied with by the general secretariats audited.

When evaluating the results, both the relatively low annual procurement volumes of the five general secretariats totalling almost CHF 20 million (cf. table 1) and the role model and leadership role of the general secretariats in the departments have to be taken into account.

TOTAL (CHF)	GS- FDF	GS- FDHA	GS- FDFA	GS- FDJP	GS- DETEC
19,564,000	6,120,000	199,000	2,770,000	1,838,000	8,637,000

Table 1: Average annual procurement volumes of the general secretariats in 2007-2009

The following room for improvement was noted in the area of the general secretariats.

Needs are insufficiently assessed and formulated. An analysis of the project risks is rarely conducted and accordingly the risks cannot be monitored in the course of procurement. In many cases, the selection of the procurement process is not in line with the requirements of the law. For example, procurements which in terms of the amounts involved exceed the WTO threshold of CHF 248,950 and thereby should be advertised in the open or selective procedure are awarded via partial orders through the tender procedure or are awarded on a discretionary basis in accordance with the exceptions set out in Article 13 of the Public Procurement Ordinance. The exceptions set out in Article 13 of the Public Procurement Ordinance are repeatedly applied by all general secretariats, with no justification for any such exceptional situation.

Far too little importance is attached to the four principles of the PPA, i.e. transparency, cost effectiveness, equal treatment and competition. Directives and requirements do exist to some extent, but these are not taken into sufficient consideration, not everyone in the procurement process is acquainted with them, they are outdated or are technically inadequate. The procurement law knowledge of those involved in the procurement process is generally patchy.

The general secretariats must ensure compliance with the legal requirements. Corresponding procedures and directives must be drawn up and implemented. With comprehensive monitoring, synergies could be recognized and utilised. This goal should be covered with the implementation of the new contract management of the Confederation.

In the case of the two departmental projects "Introducing ICS" and "Introducing GEVER", starkly divergent implementation was noted in terms of procurement. Whereas with three general secretariats with a central project, procurements were also pooled for execution and the projects were managed centrally, the other two restricted themselves mainly to coordinating information between the programme managers at federal level and the administrative units. The projects which were managed centrally were run more efficiently in procurement terms.

The pro general secretariat recommendations were welcomed. According to statements from the general secretariats, the corresponding measures are being introduced and implemented immediately.

The Finance Delegation discussed the report in its meeting at the end of November 2010, and in the overall context of the customary contract-awarding practices in the Federal Administration, recommends an in-depth audit of procurement procedures. In particular, the proportion of awards through mutual agreements without competition should be reduced with corresponding measures.

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